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Committee on Safeguards

NOTIFICATION UNDER ARTICLE 12.1(B) OF THE AGREEMENT ON SAFEGUARDS UPON MAKING A FINDING OF SERIOUS INJURY OR THREAT THEREOF CAUSED BY INCREASED IMPORTS

UNITED STATES

Fine Denier Polyester Staple Fiber

The following communication, dated and received on 11 July 2024, is being circulated at the request of the delegation of the United States.

Pursuant to Article 12.1(b) of the WTO Agreement on Safeguards (Safeguards Agreement), the United States notifies that there has been a finding of serious injury or threat thereof caused by increased imports.

1. Provide evidence, citing relevant data and the applicable period of investigation of serious injury or threat thereof caused by increased imports.

On 9 July 2024, the U.S. International Trade Commission (Commission) determined that imports of fine denier polyester staple fiber are being imported in such increased quantities as to be a substantial cause of serious injury to the domestic industry.

The initiation that led to this determination was notified to the Committee on Safeguards in $\frac{G}{SG}/N/6/USA/14}$ (dated 11 March 2024).

The Commission is now considering the appropriate remedy to recommend to the President, and will forward its injury findings and remedy recommendations to the President by 26 August 2024. This report will include the Commission's injury determination, remedy recommendations, certain additional findings, and the basis for its injury determination, remedy recommendations, and findings as well as the factual information compiled in the Commission's posthearing injury report. The United States will provide a copy of this report, excluding confidential business information, to the Committee on Safeguards shortly after it is submitted to the President.

2. Provide information on whether there is an absolute increase in imports or an increase in imports relative to domestic production.

The Commission's report described above in item 1 will contain information regarding increased imports.

3. Provide precise description of the product involved.

The product covered by this investigation is fine denier polyester staple fiber (PSF), not carded or combed, measuring less than 3.3 decitex (3 denier) in diameter. The scope covers all fine denier PSF, whether coated or uncoated.

¹ See also <u>G/SG/N/6/USA/14/Suppl.1</u> (dated 14 March 2024).

The following products are not covered by this investigation: (1) PSF equal to or greater than 3.3 decitex (more than 3 denier, inclusive) currently imported under the Harmonized Tariff Schedule of the United States (HTSUS) statistical reporting numbers 5503.20.0045 and 5503.20.0065; and (2) Low-melt PSF defined as a bicomponent polyester fiber having a polyester fiber component that melts at a lower temperature than the other polyester fiber component, which is currently imported under HTSUS statistical reporting number 5503.20.0015.

For customs purposes, the fine denier PSF covered by the investigation is provided for under HTSUS subheading 5503.20.0025. These HTSUS numbers are provided for convenience and the written description of the scope is dispositive.

4. If the final measure replaces a provisional measure, or if a final measure is extended, provide a written description of any part of the imported product that will no longer be subject to the measure and the Harmonized System numbers under which it enters at least at the 6-digit level, and at a sub-national level (e.g., 8-digit, 9-digit, or 10-digit level) if practicable.

Not applicable.

5. Provide precise description of the proposed measure.

The Commission has not yet proposed measures in response to the Commission's determination of serious injury. The Commission is now considering recommendations as to the appropriate measures, which the President will consider after receipt of the Commission's report described in item 1.

6. Provide proposed date of introduction of the measure.

See response to item 5 above.

7. Provide expected duration of the measure.

See response to item 5 above.

8. For a measure with a duration of more than three years, provide the proposed date for the review (under Article 7.4) to be held not later than the mid-term of the measure, if such a date for the review has already been scheduled.

See response to item 5 above.

9. If the expected duration is over one year, provide expected timetable for progressive liberalization of the measure.

See response to item 5 above.

- 10. If the notification relates only to a finding of serious injury or threat thereof, and does not relate to a decision to apply or extend a safeguard measure:
 - (i) provide the deadline for interested parties to comment or any other procedures relevant to the decision to apply the measures, and
 - (ii) provide information regarding procedures for prior consultation with those Members having a substantial interest as exporters of the product concerned.

Information regarding the procedures and relevant deadlines with regard to the investigation is contained in the notice of initiation.

As the Commission has not yet made a recommendation as to the proposed measure in response to the Commission's determination of serious injury, the United States has not established procedures for prior consultations. Once the Commission's recommendation to the President has been made, the United States will provide further information regarding the consultation process.